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GCP raises the bar for support of levy increases

Residents' disproportionate tax burden cited

CLEVELAND, October 2, 2019 – The Greater Cleveland Partnership's (GCP) strategic plan called for a better understanding of the impact of our collective tax climate. In April, data from a GCP tax analysis was released that shows our region's residents face a disproportionate tax burden when compared to our peer cities. This week, a resolution was endorsed by GCP's Board of Directors stating the organization's intent to oppose future levy millage increases that fail to demonstrate a unique compelling contribution to our economy, a severe and urgent societal need or a more creative approach to achieving their objectives. The decision was made by GCP member leaders in anticipation of additional levy requests to be proposed to city and county voters in 2020, on top of the potential increase that will appear on this November's ballot. It is intended to guide GCP's advocacy positions until a comprehensive solution is identified.

"In order to maintain a competitive economic and social environment in Greater Cleveland, changing the tax picture has become imperative," said Scott Chaikin, Executive Chairman of Dix & Eaton and Chair of GCP's Board of Directors. "Our current trajectory of continually expanding local taxes is not sustainable and it will severely limit our ability to improve the economy of our region, grow its population, and lift people up."

The information included in the tax study also resulted in GCP members calling for increased community collaboration and the exploration of potential systematic solutions. GCP has been and will continue to convene future conversations with community stakeholders to explore the possibilities.

"It is our sincere hope the public, private, philanthropic sectors, and others can come together to better understand and examine a more cost-effective means of providing efficient government services in our region to benefit the communities they serve," added GCP President and CEO Joe Roman.

Since the GCP tax study was unveiled, the organization reiterated that the purpose of this exercise is not to single out any one tax or entity. Note, GCP has supported six out the seven leading tax increases in our region since 2012. GCP respects the dedication and professionalism of the elected officials and agencies that administer the tax requirements of Greater Cleveland and will continue to enjoy working directly with them to address challenging issues. This member-driven resolution will help guide the organization's positioning on tax increases until an agreed-upon process for community action is in place.

"GCP will continue to review and likely support responsible levy renewals during this period as change is discussed and pursued," stated Kevin Johnson, Managing Partner at NexGen Interactive and the Chair of the GCP tax study group. "But, the stark difference in our tax levels with our peers shows the layering of levy increases on top of one another is not sufficient to create a positive competitive environment for economic growth and inclusion."

The Greater Cleveland Partnership mobilizes private-sector leadership, expertise and resources to create attractive business conditions that create jobs, grow investment and improve the economic prosperity of the region.

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